

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

August 17, 2011

Fedex

Gordon Blankstein. Chief Consolidated Mining Company 890-999 West Hastings ST. Suite 890, Vancouver, British Columbia V6C 2W2 Canada

Subject: Approval of Notice of Intention to Commence Large Mining Operations (NOI) and

Reclamation Surety, Chief Consolidated Mining Company, Tintic Operations,

M/049/0062, Utah County, Utah

Dear Mr. Blankstein:

The Division of Oil, Gas and Mining has finally resolved the surety problems associated with the Tintic Operations mine and now has sufficient funds in the surety account for this mine. The Division now permits you to begin mining operations as outlined in your Notice of Intention to Commence Large Mining Operations. The permitted disturbed area is 74 acres. The surety will be reviewed periodically to assure that the bond remains adequate.

The approval or acceptance of a complete notice of intention does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations.

Enclosed are copies of the signed and executed Reclamation Contract for your files. Also, enclosed is a copy of the "approved" Notice of Intention to Commence Large Mining Operations for your files. Please keep your plan current by submitting changes using Form MR-REV-att, which is located on the web at www.dogm.utah.gov.



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With the approval of the Tintic Operations LMO, the Division will now close the files for Tintic Utah Metals LLC's Burgin/Apex permit (M/049/0009) and Chief Gold Mines Inc.'s Trixie permit (M/049/0024), since both of these operations have been transferred to Chief Consolidated Mining Company and are incorporated into the Tintic Operations permit. Enclosed are the original reclamation contracts for your disposal for these operations.

All future correspondence for this project should reference permit # $\underline{M/049/0062}$. Thank you for your help and patience in finalizing this permitting action. Please call me at 801-538-5261 or Lynn Kunzler at 801-538-5310 if you have any questions in this regard.

Sincerely,

Paul B. Baker,

Minerals Program Manager

PBB:lk:pb

Enclosures:

Tintic Operations Reclamation Contract

'Approved' Notice of Intent Burgin/Apex Reclamation Contract Trixie Reclamation Contract

cc: Peggy Kelsey, Utah County Planning (peggyk@utah.gov)

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